Policies and Procedures for Proper Use of Non-DoD Contract Vehicles

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Proper Use of Non-DoD Contract Vehicles

DoD spends billions of dollars through non-DoD contract

vehicles. This includes:

- Orders issued under these vehicles by DoD personnel
- Orders issued by non-DoD federal entities on DoD's behalf, using DoD funds

Examples:

- GSA Schedules
- Government-wide Acquisition Contracts

Recent Inspector General reviews have found that non-DoD contract vehicles are not always properly used

DFARS Interim Rule & New Policies

- DFARs Interim Rule 2002-D024 (Issued 1 October 2003)
  - Applicable to acquisition of services
  - Review process and procedures established by each agency or department

- Establishing New Policies
  - Applicable to acquisition of both services and supplies
  - Applies above the simplified acquisition threshold ($100,000)
  - Provide DoD unique terms and conditions to assisting agencies
  - Agencies and departments must establish a pre-award review process/procedures to ensure that using non-DoD vehicles are in the best interest of the Department of Defense
  - Develop post-award review processes/procedures to analyze data on non-DoD contract vehicle usage

Pre/Post Award Review Procedures

- Pre-Award Review Processes/Procedures
  - Procedures should include consultation with DoD Contracting Officers and Financial Managers, and take into consideration the following:
    - Does this meet the customer's needs – quality, delivery, price
    - Whether the requirements are within scope of the intended vehicle
    - Cost effectiveness (including fees and discounts)
    - Schedule
    - Contract administration
    - Unavailability of a DoD contract vehicle

- Post-Award Review Processes/Procedures
  - Coordinate with assisting agencies to analyze data on the number and value of transactions using non-DoD vehicles, as well as measuring the proper use and effectiveness of these vehicles

What “Get It Right” Means to You

What "Get It Right" Means To...

DoD Contracting Officers

- Before using non-DoD vehicles, determine whether this option is in the best interest of the Department of Defense. In order to do so, take into account the following:
  - Does this meet the customer's needs—quality, delivery, price
  - Whether the requirements are within scope of the intended vehicle/schedule
  - Cost effectiveness (including fees and discounts)
  - Schedule
  - Contract administration
  - Consideration of small businesses (review for bundling)
  - Unavailability of a contract vehicle within the Dept

What "Get It Right" Means To....

Program Managers

- Ensure bona fide need and define requirements accurately and completely
- Orders/Contracts for services >$100,000 must be performance based
- In collaboration with Contracting Officer, perform market research, i.e. identify multiple potential sources
- Before sending funds or requirements to a non-DoD agency for acquisition purposes, take into consideration the following:
    - Whether the requirements are within scope of the intended vehicle
      (e.g. use designated schedules for IT, not for the buildings that house IT)
    - Schedule
    - Cost effectiveness (including fees and discounts)
    - Non-DoD entities' ability to perform the acquisition in accordance with the appropriate funding
    - Availability of DoD contracting vehicles *

* Most importantly, this requires adequate acquisition planning. Non-DoD entities are subject to the same poor planning, non-competitive practices being used conditions as DoD contracting offices.

What "Get It Right" Means To...

Finance Managers

- Review funding requests/funding citations to ensure th
or services to be acquired are consistent with the appr
funding to be utilized

- Ensure that the transaction does not circumvent cond
limitations imposed on the use of funds when using no
contract vehicles

- Contribute to the review and analysis of the metric ba
provided by assisting agencies on use of non-DoD cont

What "Get It Right" Means To...

Assisting Agencies

- Look for and incorporate any unique terms and conditions applic supplied by DoD
- Compare order or contract requirements to intended vehicle to e be placed appropriately and be within scope (e.g. Using designat buy IT, not the buildings that house IT products and services)
- Acquisition of services—ensure compliance with Section 803 (rec proposals)
- If a requirements package is incomplete, please contact the Cont Requirements POC immediately!
- Properly code data in FPDS-NG (capturing data on which agency made for) and provide reports/data to requiring organizations for

What "Get It Right" Means To...
Contractors

- If task or item ordered is outside the scope o contract, the Contractor has responsibility to the Government

- Educate workforce (including business devel marketing, and sales force)